

Two
PROPOSALS
FOR
Raising 1,250,000*l*.
FOR THE
Current Service of the Year 1729.
AND FOR
Appropriating the PRODUCE
OF THE
SINKING FUND.

WITH
A COMPARISON betwixt the Two
PROPOSALS; shewing the Advantages
of the One over the Other to the Publick.

With a LETTER to — — Esq;

L O N D O N:

Printed for H. WHITRIDGE, near the Royal-
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LONDON:
 Printed for H. Widdowes, near the Royal
 Exchange. MDCCLXXIX. [1729.]



To _____, Esq;

S I R,

THESE Papers were prepared to give Satisfaction to a Gentleman, that l. 1,250,000 might be raised for the current Service of this Year, with much more Ease, and much more Advantage to the Publick, than by the Method be acquainted me you had framed of doing it.

However, as I never expected to have heard the Method which I had laid down to him, for raising the l. 1,250,000 would have been mentioned among that Body of Men, where you are believed, by the greatest Number of Persons that compose it, to be particularly acquainted with the Business of the Funds; I was very much surprized to be informed of it, and much more, I assure you, Sir, than to hear, that you were pleased not to approve it; since I have been long satisfied, that you do not like any Thing offered or proposed, with regard to the raising of Money, or concerning the Funds or the Publick Debts, that is not offered or proposed by Yourself.

As Your Manner of treating the following Method, for raising the l. 1,250,000 has occasioned these Papers being made publick. So it is submitted to the Publick, whether you, Sir, or any other Person, have had any Reason to

A 2

explode

explode the Method proposed ; and if it be not a much more eligible Method of raising the Money, than that which I am assured, you take to yourself the Merit of having offered to Publick Consideration.

If there is any Merit in managing the Publick Expences with the utmost Frugality, or raising the Publick Money with the greatest Ease and Advantage to the People of Great Britain, then I promise myself, you will be of my Opinion, however contrary it may be to what Schemes you may have laid down to yourself, either concerning the Publick Debts, or the Ways of raising Money ; that there is some Merit in proposing to save an Annuity, or adding of l. 140,872 to the Sinking Fund at Midsummer 1731, which is demonstrably shewn there will be by my Method of raising the l. 1,250,000 more than by the Method which is taking.

And, as I am sure that there will be gain'd to the Sinking Fund, an annual Addition of l. 140,872 more, by my Method of raising the l. 1,250,000 than that which is proposed ; so I have such an Opinion of that very great Person, who so often admits you into his Councils, that unless you can shew him the Contrary of what I now advance, that notwithstanding any Steps which may be taken to raise the l. 1,250,000, and to apply the Produce of the Sinking Fund, he will, in regard to the Advantage it will be to the Publick in many Respects, very readily depart from them, and come into this Method, so much more eligible and advantageous.

I am aware, Sir, that you will have an Answer ready to justify yourself, in approving the Method

Method of raising the l. 1,250,000 in one Way rather than the other, by saying, That the one will be taking, between this and Midsummer 1730, a Sum of Money out of the Produce of the Sinking Fund, whereas the other is not taking any Thing out of it, and holding sacred Parliamentary Faith. This, indeed, carries some shew of Reason; but when it is examined, is really only a manner of Talking, to amuse those who do not give any Attention to, nor consider what is the Advantage of the People of Great Britain in general. Which, in order to shew, I beg Leave to ask you,

Whether the Produce of the Lottery 1714, (which is the Fund proposed to be appropriated to pay the Annuities of the 1,250,000) has not been for some Tears carried to the Surplus Accounts; and contributed to make up the Produce of the Sinking Fund, which has been applied in discharge of the Publick Debts; and if the taking the Produce of the Lottery Fund 1714 from it, will not reduce the Sinking Fund, after it is so taken away, just as much as it shall annually produce?

Whether an Annuity of l. 140,872 valued at 25 Tears Purchase, be not worth l. 3,898,600 and if the adding so much in 25 Tears to the Sinking Fund, besides reckoning the Amount of the Interest-money that l. 140,872 will occasion to accrue to it, by the paying off so much Annually, be not making most ample Amends to the Creditors of the Publick, for taking between this and Midsummer 1730, l. 1,250,000 out of the Sinking Fund?

Whether

Whether it be not said in the Representation, That the only Contest now among the Creditors of the Publick is, That every one of them desires to be the last in the Course of Payment ; and therefore, whether it may not be concluded, that they will be so far from complaining, that they will esteem it a Favour, to have so much as l. 1,250,000 taken out of the Sinking Fund between this and Midsummer 1730 ?

Whether the present Creditors may not, with a shew of Reason, imagine that they are not equitably dealt with, to be paid off the Debts owing them by the Government, as they have consented Twice to reduce their Interest since the Year 1716, when, at the same Time, Money is borrowed in Perpetuity, at the very same Rate of Interest ? And,

Whether Money for the current Service of the Year has not been several Times borrowed upon the Credit of the Sinking Fund, or the Sinking Fund made a Security for it ; and if the Persons, who may lend the l. 1,250,000 are not to have it provided by Act of Parliament, as an additional Security to their Annuity, That every Deficiency shall be made good from the first Supplies which shall be granted by Parliament, next after such Deficiency shall appear, or from out of any Monies which shall be or remain in the Receipt of the Exchequer of the Surplusses, Excesses, or Overplus-monies, commonly called the Sinking Fund ?

I conceive these Queries, since I am very sure you must answer in the Affirmative to the Whole, and

and every Part of them, demonstrably shew, that the Method which I propose, does not any more affect Parliamentary Faith, or can be constru'd taking from the Sinking Fund any Sum of Money, than the taking the Produce of the Lottery Fund 1714 from it, especially when it is consider'd; First, That the Produce of this Fund has been constantly carried to the Sinking Fund, and made Part of its Increase of late Years. Secondly, That it is propos'd it shall be preserv'd to it; and that the Money brought into the Sinking Fund by my Method, will so greatly make it amends, that the Proprietors of the present Debt will not complain of taking 1,250,000 l. from it for this Year. And Thirdly, That the Sinking Fund is to be made a collateral Security for the Answering the Annuity of 1,250,000 l. in case the Lottery Fund shall at any Time prove Deficient.

But, Sir, if these Considerations shall not have any weight with you, to induce you to come into my way of Thinking, I hope, that Regard for the Publick, which should be uppermost in every Man's Thought, especially one who has so great Opportunities as you have to propose Things for its Advantage, will move you to compare this Method of mine, with the other for raising 1,250,000 l. for this Year's Service; and that, if, on comparing it, you find those Advantages will accrue to the Publick, which I have advanc'd, that you will be so just, not only to those who consult you on Money Affairs, but to the Publick, as to recommend it to that very honourable Person, who so often advises with you, and in that Place,
where

where you are believ'd to have a perfect Understanding in the Ways of raising Money for the Service of the Government.

And because you may the more readily be induc'd to propose my Method, I beg leave to remind you, that the greatest Encomiums have been given those that have propos'd any Measures for Discharging the National Debt, or for the making Provision by the Sinking Fund for that Purpose; and that it has been esteem'd of so considerable Advantage, not only to raise Money for the Supplies of the Year, at a much lower Interest than before, but that Part of the Debt should be reduc'd from an Interest of 5 to 3 per Cent. and put into a Course of being soon Discharg'd; that it was mention'd by his late Majesty in his Speech to his Parliament: Therefore, as my Method, in raising the Supplies of the Year, is propos'd to be at a much lower Interest than at any Time heretofore, and Discharging a great Part of the Debt at Midsummer 1729. I am very sure, that if you will not only propose it, but occasion its being render'd Effectual, you will have the highest Encomiums bestow'd upon you.

But, Sir, lest it should be objected, That the entering into this Method of mine, instead of the other, may be the Hindrance of borrowing Money so easily and so readily on the Land and Malt Taxes, I beg leave to observe, That it will be so far from having this Effect, that on the contrary, it must necessarily be the Means of borrowing Money more easily and readily upon these Funds, since there will be 1,500,000 l. to be paid off at Midsummer 1729, and only 1,000,000 l.

1,000,000 l. to be borrow'd; whereas by the other, there is only 1,275,000 l. to be paid off, and 1,250,000 l. to be borrow'd. And as the Way propos'd to borrow the One Million, is by agreeing with the Bank to circulate Exchequer-Bills to that Amount, so the borrowing 1,250,000 l. is propos'd to be from the Bank. And therefore it may be justly concluded, That if this Society can lend 1,250,000 l. by way of Loan, they are much more able to circulate One Million Exchequer-Bills, supposing the Whole One Million may be wanted to be circulated throughout the Year 1729, which it is very probable will not be the Case, since the Service for which the Money is given this Year, will not require great Part of it till after December 1729.

If then this Objection be not of any Force, I am not sensible any other can possibly be made, unless that the Produce of the Sinking Fund may not amount to 2,750,000 l. at Midsummer 1730. If this be any Objection at all, it is an Objection against making an Appropriation in the other Method, or any Appropriation at any Time of the Sinking Fund, until the Produce is actually in the Exchequer, and an Objection against taking any Credit upon it, or making any collateral Security for any Money borrow'd for the current Service of the Year. But I am apt to believe, Sir, whatever any other may take the liberty of doing, that you will not allow yourself to make a Supposition of this kind, since you are so well acquainted with the Valuing of the Produce of the Sinking
 B Fund

Fund at 25 Years Purchase, in the Representation.

If, Sir, this Objection is to have any regard shewn to it, I would desire to be inform'd what must be thought of the valuing 800,000 l. a Year, Part of the Produce of the Sinking Fund to be worth at 25 Years Purchase 20,000,000 l. or how the Publick Debts are to be Discharg'd, unless new Funds are created for that Purpose; and must believe this Nation to be in a very miserable Situation, since it is only from the Sinking Fund's producing more than to the Annuity to the Creditors of the Government, that the Government will ever be able to pay its Debts, and the People of Great-Britain eased in great Part of the present Duties of Customs and Excises, and intirely of the Land and Malt Taxes, in Time of Peace and general Tranquillity.

It must be owned, that whenever a Government is under a Necessity of raising Money, it is absolutely necessary that it should be rais'd for its Support; the Honour of the Prince, and the Safety and Happiness of his Subjects, necessarily require it; but the greater the Occasions of raising Money are, the more incumbent it will be upon those whose Province it is more immediately to propose the Raising it, to consider those Methods which may be most for the Ease and Advantage of the Publick.

*And if I was not afraid of making this Letter too long, and being, perhaps, thought Impertinent, I would take the Liberty of laying
before*

before you, my Reasons why a Person in your Situation, and with your Opportunities, would make a much more considerable Figure in the Eyes of Mankind, than you do at present, if you would employ as much of your Time, as you do in finding out Ways and Means for the raising of Money for the current Service of the Year, in proposing Means for Discharging every Year a considerable Part of the National Debt, without incurring any new one; in improving the Sinking Fund, not only by the reducing of Interest, but in increasing the Produce of the Revenues, by the lessening the Expence of Collecting and Managing, which at this Time, I fear, is one full Third of the Gross Sum they produce. As for Example, if the Gross Produce be 6,600,000*l.* a Year, the Expence and Charge of Collecting and Managing is 2,200,000*l.* so that only 4,400,000*l.* comes into the Receipt of his Majesty's Exchequer.

This was the State of the Case when Mr Hutcheson made his Observations on the Pubulick Revenues, its Debts and Engagements, and I wish it may not be proportionably the same at this Time; I assure you, Sir, it would be a sensible Pleasure to me to find it is otherwise, by the Revenues being collected and managed at a much less Expence than the Proportion of One Third of the Gross Produce.

As you, Sir, have occasioned the Printing these Papers, I was induc'd to believe, that my addressing them to you in this Manner, would be of Service to the Government, since, if you are not able to deny the Advantages which

arise to the Publick by one Method above the other, nor to overthrow the Answers which I have given to all the Objections which can possibly be against your approving it, I persuade myself, that in regard to the Advantages that will arise to the Nation from the rendering it Effectual, it will have the most Publick Consideration.

I am, SIR,

Feb. 22.
1728-9.

Your very humble Servant,

T—G—.



A METHOD

SHEWING,

That by means of the Produce of the Sinking Fund in Hand, and accruing at Midsummer 1730. 1,500,000 l. may be paid off of the NATIONAL DEBT, and 1,250,000 l. rais'd for the current Service of the Year 1729; and that the 50,000 l. the Produce of the Lottery 1714. will be preserv'd to the Sinking Fund, and 60,000 l. added to it at Midsummer 1730. with the other Advantages to the Publick.

T HERE is re-		
maining in the		
Exchequer at		
Mich. 1728, of		
the Produce of the Sink-		
ing Fund - - - - -	227,014	15 3 $\frac{1}{2}$
And as the Sinking		
Fund produced between		
Mich. 1727, and Mich.		
1728, 1,572,121 l. 0 s.	2,751,211	15 4 $\frac{1}{2}$
2 $\frac{3}{4}$ it is supposed it will		
produce, proportionably		
at Midsum. 1730 - - - -		
Saving of Interest -	100,000	
Carry'd over -	1,3078,226	10 8
		De-

Brought over *l.* 3,078,226 10 8
 Deduct the said Sums
 of 1,500,000 *l.* and } 2,750,000
 1,250,000 *l.* - - - - - }

So that there will re-
 main in the *Exchequer* at } 328,226 10 8
Midsummer 1730 - - - }

By paying a Debt of
 1,500,000 *l.* at *Midsum-*
mer 1729, there will be
 sav'd at *Midsummer* 1730,
 or added to the Sinking
 Fund - - - - - } 60,000 00 0

By the Saving of the
 Interest of 1,250,000 *l.*
 or preserving to the Sink-
 ing Fund the Produce
 of the Lottery 1714 - - } 50,000 00 0

l. 110,000 00 0
 Deduct for Expences
 of circulating *Exchequer* } 10,000 00 0
 Bills - - - - - }

Remains *l.* 100,000:00:0

That the Lords of the Treasury be em-
 powered, for the sooner and more certainly
 answering and paying the said Two Sums,
 amounting to 2,750,000 *l.* to agree with the
Bank, for the Circulating at such Time or
 Times, as they may judge proper, any Num-
 ber

ber of *Exchequer* Bills for this Service, not exceeding One Million.

That as there is remaining in the *Exchequer*, by the Surplus Account at *Michaelmas* 1728, $l. 227,014 \ 15 \ 3\frac{1}{2}$, and it may be computed, that there will be at *Midsummer* 1729, arising from the Produce of the Sinking Fund the further Sum of $l. 1,179,090 \ 15 \ 1\frac{3}{4}$ both Sums amounting to $l. 1,406,105 \ 10 \ 5\frac{1}{4}$ there be paid out of the said Sum at such Time, $l. 1,000,000$ in Part of the $l. 1,500,000$; and that the remaining $l. 500,000$ be at the same Time paid by the circulating of *Exchequer* Bills.

Whereby there will remain the other $l. 500,000$ *Exchequer* Bills, propos'd to be circulated, to answer so much of the $l. 1,250,000$ for the current Service of the Year, or particularly to discharge the $l. 500,000$ borrowed last Year, to pay Seamen's Wages.

And though it may be presum'd that the remaining $l. 750,000$ may not be wanted sooner than *December* 1729, or *April* or *May* 1730, yet, as there will be in the *Exchequer* of the Produce of the Sinking Fund at *Midsummer* 1729, $l. 406,105 \ 10 \ 5\frac{1}{2}$ and the same will be increas'd at *Christmas* 1729, the Sum of $l. 786,060 \ 10 \ 1\frac{1}{4}$; both Sums amounting

mounting to $l. 1,192,166 \text{ } 0 \text{ } 6\frac{3}{4}$ the Government cannot fail of being duly supply'd with the $l. 750,000$ before it can have any Occasion for it. And,

As there will be remaining in the *Exchequer* at *Christmas* 1729, $l. 442,166 \text{ } 0 \text{ } 6\frac{3}{4}$ towards the cancelling of the Million-*Exchequer* Bills; so at *Midsummer* 1730, the said Sum of $442,166 \text{ } l. \text{ } 0 \text{ } s. \text{ } 6\frac{3}{4}$ may be supposed to have added to it at that Time, by a further Produce of the Sinking Fund, $786,060 \text{ } l. \text{ } 10 \text{ } s. \text{ } 1 \text{ } d.\frac{1}{4}$, both amounting to $1,228,226 \text{ } l. \text{ } 10 \text{ } s. \text{ } 8 \text{ } d.$ which is more than will discharge and cancel the One Million-*Exchequer* Bills by $228,226 \text{ } l. \text{ } 10 \text{ } s. \text{ } 8 \text{ } d.$ which, with the Saving of the Interest on the $1,500,000 \text{ } l.$ paid off, deducting the Money paid for circulating *Exchequer* Bills, will make an Addition of $100,000 \text{ } l.$ in all $328,326 \text{ } l. \text{ } 10 \text{ } s. \text{ } 8 \text{ } d.$ remaining in the *Exchequer*, unappropriated, at *Midsummer* 1731.

But it will probably be objected, that however advantageous to the Publick this Proposal may be, of paying off so great a Part of the National Debt, as $1,500,000 \text{ } l.$ in so short a Time as before or at *Midsummer* 1730. and raising $l. 1,250,000$ for the current Service of the Year; yet, that this is taking
so

so much Money as £ 1,250,000 from the Sinking Fund. However this Objection may in some Sense be true, it is conceiv'd it will come with a very bad Grace from those Persons who are the Proposers of borrowing £ 1,250,000 upon the Produce of the Fund appropriated to the Lottery 1714. For the following Reasons.

I. Because if the said £ 1,250,000 be borrow'd on the Produce of this Fund, as it is only computed to produce 50,000 £ a Year, it is borrowing of Money in Perpetuity, since there is not any Provision for the Payment of the Principal, nor any Expectation of its ever being paid, but by the Help of the Produce of the Sinking Fund.

II. Because, as it is propos'd, That the Money arising by the Fund appropriated to the Lottery 1714. shall center in, or be made Part of the Sinking Fund, it is not taking any Money by this Manner of directing the Payment of the £ 1,250,000 out of it, since the Money which will Annually accrew to it by the Lottery Fund of 1714. will soon repay the said £ 1,250,000 and make ample Satisfaction to the Proprietors of the Publick Debts, who may desire a due Appropriation of the Produce of the Sinking Fund.

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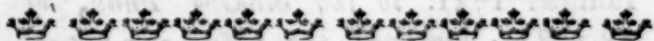
III. Because

no III. Because it may be presum'd, not any of the Publick Creditors will complain of any Misappropriation of the Sinking Fund, by the Parliament's taking this Method, unless those who may be directed to be paid 1,500,000 *l.* since the House of Commons inform His Majesty in their Representation, " That the only Contest now among the " Creditors of the Publick, is, that every " one of them desire to be last in the Course " of Payment."

It is suppos'd the *Bank of England* will readily agree to the Circulating any Sum of *Exchequer* Bills the Lords of the Treasury are impower'd, and may require them to circulate for this Service ; and this Method must certainly be approv'd of by some Gentlemen ; the late King in his Speech to the Parliament 1723-4. expressing himself to this Effect, " It is an unexpected Felicity, " that not only the Supplies of the Year " should be rais'd at a much lower Interest " than was ever known in the most quiet " Times, but Part of the National Debt " should be reduc'd from an Interest of 5 to " 3 *per Cent.* and put into a Course of " being soon discharg'd.

And

And it is to be observ'd, it is highly necessary for the *South-Sea* Company to be the Persons to be paid this Sum of *l.* 1,500,000 in regard they can immediately find use for it, by applying this Sum to the Payment of their Bonds; which, although they may not hurt the Publick Credit in Time of Peace and general Tranquillity, may be of the most dangerous Consequence to the Government, as well as the Trade of the Nation, at other Times. And the Proprietors can have no Reason to complain of being paid, since every 100 *l.* Capital, does not sell for 100 *l.* in *Exchange-Alley*, or for more than 98 *l.*



*The Method propos'd for applying the
Produce of the Sinking Fund.*

THAT 1,275,000 *l.* out of the Money in Hand, at *Michaelmas* 1728. (which amounts to 227,014 *l.* 15 *s.* 3 *d.* $\frac{1}{2}$.) and will come into the *Exchequer* before *Midsummer* 1729, be apply'd to the Discharge of the National Debt incurr'd before the Year 1716. whereby an Annuity of 51,000 *l.* will cease, and the Sinking Fund be increas'd that Sum at *Midsummer* 1730. But,

That as 1,250,000 *l.* is to be borrow'd at 4 *per Cent.* for the current Service of the Year; and 50,000 *l.* to be taken from the Sinking Fund, to pay the Annuity thereof, the National Debt will be Discharg'd only 25,000 *l.* and save an Annuity only of 1000 *l.* at Midsummer 1730.

Note, If there be only paid off, as is suppos'd above, 1,275,000 l. at Midsummer 1729, then there will remain of the Produce of the Fund to be appropriated at Midsummer 1730. 1,703,226 l. 10 s. 8 d. which, if then applied in Discharge of the Publick Debts, will bring an Addition at Midsummer 1731. to the Sinking Fund, of 68,128 l.; however, the 1,500,000 l. paid at Midsummer, will bring an Addition to Ballance this Sum of 110,000 l. Therefore which of the two Methods are most Advantageous to the Publick, will appear by the following Account.

Sinking

Sinking Fund.

Dr.

To saving of Interest at <i>Mid-</i>	1.
<i>summer</i> 1729. between borrow-	1000
ing 1,250,000 l. and paying off	
1,275,000 l.	
To saving of Interest at <i>Mid-</i>	
<i>summer</i> 1731. by applying all	
the Money produc'd by the Sink-	
ing Fund at 1730.	68128

Cr.

By saving of Interest on paying	1.
1,500,000 l. and the Produce of	
the Lottery 1714. at <i>Midsummer</i>	100000
1729, deducting 10000 l. paid the	
Bank	
By Ditto saving the 10,000 l. to the	
Bank at <i>Midsummer</i> 1731	110000

To Ballance gain'd in Perpetuity to
the Sinking Fund

1. 210000

1. 210000

) Observations, *proving the Advantages to the Publick by the First, more than the Second Method.*

I. **B**Y the First there will be paid off 1,500,000 *l.* of the National Debt, and gain'd an Addition to the Sinking Fund of 100,000 *l.*; whereas by the Second, the Publick Debts will be Discharg'd only 25,000 *l.* and the Sinking Fund increas'd an Annuity only of 1000 *l.* a Year at *Midsummer* 1730.

II. The first Method will increase the Sinking Fund at *Midsummer* 1731. 110,000 *l.* by reason the 10000 *l.* suppos'd to be paid to the Bank for circulating *Exchequer* Bills, will cease at *Midsummer* 1730; whereas the Second (supposing all the Money arising by the Sinking Fund be applied in Discharge of the Publick Debts at *Midsummer* 1730.) will increase it at *Midsummer* 1731. only 68,128 *l.* Therefore,

III. As the first Method will gain to the Sinking Fund at *Midsummer* 1730. 100,000 *l.* and at *Midsummer* 1731. 110,000 *l.*; and the Second only 68,128 *l.* at *Midsummer* 1731. there will be a Ballance gain'd to the Sinking Fund at *Midsummer* 1731. 140,872 *l.*

IV. This

IV. This Ballance of 140,872 *l.* gain'd to the Sinking Fund by the first Method at *Midsummer* 1731. valued at 25 Years Purchase (according to modern Accomptants) is worth 3,898,600 *l.*; however, supposing it never sold, but laid by, would at the End of 8 Years, more than repay the 1,250,000 *l.* propos'd to be taken from the Sinking Fund, for the current Service of the Year 1729.

V. As by the first Method, no Money will be wanted to be borrow'd for Perpetuity, and there will be actually paid off 1,500,000 *l.* at *Midsummer* 1729, Money will necessarily be cheaper, and more Plenty, whereby the Government, as well as Traders, will be supplied on easier Terms than otherwise.

F I N I S.

Just Publish'd,

DIRECTIONS to judge whether a Nation be in a Thriving Condition, and how to advance the Wealth and Power of *Great-Britain*: In which is consider'd, the Letter in the *Daily Journal*, *January 8. 1728.*

Printed for H. WHITRIDGE, near the *Royal-Exchange* in *Cornhill*. Price 6 *d.*



